This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 HANOI 001065

SIPDIS

SENSITIVE

STATE PLEASE PASS TO USTR EBRYAN STATE ALSO FOR E, EB AND EAP/BCLTV STATE ALSO PASS USAID FOR CHAPLIN/ANE USDOC FOR 4430/MAC/ASIA/OPB/VLC/HPPHO

E.O. 12958: N/A

TAGS: PGOV PINR EFIN ECON ETRD VM HIV AIDS AFLU WTO SUBJECT: VIETNAM: NATIONAL ASSEMBLY OPENING

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- 11. (SBU) Summary. Although WTO accession continues to be the focus at the spring National Assembly (NA) session that opened on May 5, the Government has yet to show the swift actions on the legislative agenda needed to meet its December 2005 accession target. The Government also fails to acknowledge that HIV/AIDS is a disease rather than a social evil spread by drug addicts and prostitutes. Other challenges for the year are avian influenza and inflation. End Summary.
- 12. (U) National Assembly Chairman Nguyen Van An opened the legislature's spring session May 5 with remarks to the delegates, ministers and diplomats. An identified a number of priorities for this session: making laws, studying and approving the budget and reviewing reports from various government bodies. He said that the Assembly would spend most of its time and efforts studying and passing 11 laws and one resolution while providing comments for other 12 laws. Legislation scheduled to be passed during this session includes the Revised Civil Code, the Law of Trade, revisions to the Law on Customs, the Law on Joining International Conventions, the Law on State Audits, the Law on National Defense and revisions to the Law on Mandatory Conscription. Among the bills the NA will discuss is the Law on Corruption. The Government had attempted to delay discussion of this bill until the fall NA session, but Chairman An successfully insisted it be dealt with now.
- 13. (U) The NA will also issue a special resolution revising its legislative agenda. This is intended to allow the NA to deal with the legislation necessary for Vietnam to accede to the WTO. Under legislative regulations, a bill must be first discussed by the NA's core Standing Committee, then by the full Assembly in a session, before it can be voted on in the NA's subsequent session. Chairman An has suggested that a special session of the Standing Committee may be assembled concurrent to the full NA session so that bills could be discussed by both bodies in turn, allowing them to be passed in the NA's fall session.
- 14. (U) Also during this spring session, the Assembly will study the Government's report on the results of the 2004 State budget, consider the State budget for 2005 and approve the final accounting for the 2003 State budget. The Assembly will also supervise the implementation of NA's resolution on the Dung Quat oil refinery, review Standing Committee reports, including on health care, as well as reports from other NA Committees including the Ethnic Peoples Committee, and from the Chief Justice of the People's Supreme Court and from the Chief Inspector of the People's Supreme Inspectorate. Finally the deputies will hear reports from the Vietnam Fatherland Front on voters' petitions and settling voters' petitions.
- 15. (U) Of note during this session is that the NA's often contentious live televised questioning of Government Ministers has been revised to allow less time for speeches and more for direct questioning by Delegates. Further, the NA televised live the floor debate of the Civil Code on May 6, the first time to our knowledge that an open NA debate has been shown on television.
- 16. (U) The Government of Vietnam (GVN) submitted its usual report to the National Assembly detailing its activities over the previous year. (Standing Deputy Prime Minister Nguyen Tan Dung did the honors, standing in for Prime Minister Phan Van Khai who was in Australia.) A key section was devoted to urgent preparations to join the World Trade Organization (WTO). According to the report, negotiations to join WTO in 2004 and the first four months of 2005 have been carried out actively and achieved important results. The near term will be decisive, but the workload is still huge and complicated. The GVN is focusing on urgently completing plans to conclude negotiations. The GVN will intensify negotiations and stand firm on principles, but have enough flexibility to conclude negotiations soon. The GVN will take steps to support the negotiations through

political and foreign affairs channels. In addition, the GVN will quickly complete drafts of laws and regulations to facilitate international integration and WTO negotiations. This will involve submitting 19 draft laws and three ordinances to the National Assembly in 2005. Ten draft laws and one draft ordinance have been included in the agenda of the spring session. To increase the priority of domestic preparations for accession, the Prime Minister requested government agencies to make specific integration plans and to intensify efforts to explain the benefits and challenges of WTO accession to people and enterprises. In addition, the GVN will need to continue to advance administrative reform, make the transition to a market economy and improve the investment environment while developing production capacity, education and training as well as science and technology.

- 17. (SBU) The report also noted other challenges, such as containing avian influenza and dealing with its economic damage, controlling inflation and halting the spread of HIV/AIDS. Regrettably, the report still referred to HIV/AIDS as a social evil spread by drug addicts and prostitutes.
- 18. Comment: Although the GVN continues to say that WTO accession is its top priority, there has been little action on the forwarding of draft or enacted legislation to the Working Party in Geneva. While the bilateral market access negotiations are intensifying, it will be impossible for Vietnam to meet its December 2005 accession target without significant rapid progress on the legislative side. End Comment.

MARINE